

General Reporting

Would lost and found (specifically cash if turned in by another patron) be reportable under unclaimed property, and if so, would it be three year time period?

Lost and found does not fall under unclaimed property laws. Each business needs to develop a policy to follow regarding how to handle this.

How do you handle a dormant Health Savings Account?

HSAs have a dormancy period of 3 years and would be reported like any other type of property.

We have some unclaimed bonds that have matured. They were issued in 1978-1980. Do we submit them now as unclaimed property? What kind of information would we need to submit with the funds? We don't have record of the outstanding bond holders.

Yes, these funds are reportable as unclaimed property. Many times the bond numbers, bond issue name and amount are reported.

If our company writes off small balances (under \$5) is this something we should be turning in instead? At what point is it worth it?

All amounts are reportable under unclaimed property law and should be turned over.

We are in contact with the owner of a lock box, but he has yet to send us the rent or turn in his key. Do we still need to remit that after 3 years?

After the rental period has ended and the 3 year dormancy period is over, the safe deposit box would be reported to the state.

We are questioning when property is unclaimed. We normally send a letter when an account goes to dormant and ask them to sign the letter. If they do not send it back, but the letter does NOT get returned to us as undeliverable - would that be unclaimed?

That outstanding obligation would still be considered unclaimed property. Because the property reached the dormancy period and they did not respond to the letter (that stated if there was no response, the property would be turned over to the state) it is still considered unclaimed property.

If we are turning items over too early or too late ...would the state contact us?

Holders are expected to monitor and report property at the correct time. Our office will contact you regarding any large reporting issues.

If the gift cards are issued (and therefore no longer in our possession) and we don't have the customer's name, do we still report the gift cards as unclaimed after expiration date?

You will want to refer to the gift card chart below for specifics. If your card is reportable as unclaimed property and the obligation is outstanding, you would report the funds as unclaimed. Quite often holders who do not have the customer name will report the card number and amount owed.

Gift Cards/Certificates and Unclaimed Property Abandonment Guidelines		
Issued Prior to 8-22-2010	Issued After 8-22-2010	Issued July 1, 2014 and beyond
Reportable as unclaimed property after 3 years of inactivity	Reportable as unclaimed property after 5 years of inactivity	Open and Closed Loop Cards with expiration dates and/or fees: Reportable as unclaimed property after 5 years of inactivity Closed loop cards redeemable for merchandise only that never expire or incur fees: No longer required to be reported as unclaimed property
Per the Federal CARD Act enacted 8-22-2010: Fees cannot be assessed until 12 months after the instrument's activation and expiration dates need to be disclosed on the instrument.		

If we have a patron who is on the state ban casino list do we still contact them or remit it to the state?

If the owner is entitled to the funds, they should be remitted once abandoned.

Is it correct that there is no negative reporting any longer?

That is correct; Iowa does not accept negative reports.

What if you were able to locate the person and reissued a check, but they still have not deposited the check? Do we let the time run again?

If you have documented correspondence with the owner, the dormancy period would begin when the new check was cut. You cannot systematically reissue checks as a way to restart the abandonment time clock. There needs to be actual contact with the owner.

Is it legal to use an outside database to obtain social security numbers, dates of birth and current address for abandoned property here at the holder level? I heard there is a debate going on in some states.

We do not ask that you go above and beyond to locate owner information. We ask that you keep clear and concise records and report the information that you have.

For a hospital: If you have unclaimed property for a patient that also has outstanding bad debt, can the unclaimed property be applied to the patient's bad debt instead of being reported with the state?

You cannot use unclaimed property to offset debt.

If we donate to an organization and they do not cash the check is that unclaimed property?

No. Charitable donations are not considered unclaimed property.

Reporting Due Date

Can we file earlier than November 1?

Reports can be filed after June 30, between 30 and 120 days after due diligence letters have been sent.

Reporting Software

Does the UPEXchange software have video to help users walk through the process of using their software when processing unclaimed property?

Instructions, as well as customer support, for UPEXchange can be found on their website, byetm.com.

Where to Report

Can you put up the mailing address one more time please?

Treasurer State of Iowa
Unclaimed Property Division
PO Box 10430
Des Moines, IA 50306-0430

If we use HRS Pro we can email the report but then send check separately? Will that be able to be matched up on your end ok?

Reports can be emailed, mailed or submitted via UPEXchange (regardless of what software you used to create the report). The funds can be sent via mail or UPEXchange. Any reports and remittance that are sent separately should be marked with the holder name to be matched up by our office.

If a safe deposit box customer has abandoned property but lives in the state of New York would we report to New York?

Safe deposit boxes are turned over to the state where the bank is located. This is the one exception to Texas v. New Jersey.

If I have a stale dated check payable to a company located in another state, I would still report this to Iowa correct?

No, this would be reportable to the state of the last known address of that company.

Can we send amounts under \$50 that should go to another state to Iowa?

Iowa follows the Texas vs New Jersey ruling. It states that property should be turned over to the owner's state of last known address – regardless of amount. There are exceptions written into the ruling -1) The holder is incorporated in the state of Iowa and the address of the owner is unknown; or the address is in a foreign jurisdiction. 2)The underlying obligation is represented by a money order, traveler's check or other similar written instrument, which was issued in Iowa. 3) The property consists of safe deposit box contents and the safe deposit box was opened in Iowa (regardless of the last known address of the owner).

What if it's a business and you don't have a personal address?

The business is the owner of the property and you would use the last known address of the business.

Students still on a college campus in IA, permanent home address is IL can that report to IA?

Because the last known permanent address is out of state, the property would be remitted to that state.

Is filing to a state based on last known address even if the check was issued from Iowa?

Yes, property should be reported to the state of last known address, the holder location is most times irrelevant (it's relevant regarding cashier's checks and money orders).

Why must we report to other states every year even if we do not have a claim to report for every year?

We cannot speak on behalf of other states, but Iowa does not accept negative reports. If you have nothing to report, you do not need to send anything to Iowa.

The owner of funds last known address is in Texas and mail is undeliverable but the holder is incorporated in Iowa. Where are the funds to be sent? Texas or Iowa?

Texas, the last known address is in Texas so funds should be sent there.

If we have cashier's checks under \$50 that are not cashed and the last known address is in a different state/country, do we report to Iowa or to the state of last address?

You would report to Iowa as with respect to cashier's checks, the owner could be the payee or the remitter. The individual holding the instrument is the owner and it could be either party (An example could be John Smith may have purchased a cashier's check made out to ABC Car Dealership to buy a car. The deal for the car fell through and he just held onto the check.). Unless there is a clear owner (an example may be that a financial institution had a cashier's check made out to a customer. The financial institution knows they are not owed the funds and have their customer's last known address), the cashier's check would be reported to the state of the last known owner.

Dormancy

Dormancy is 3 years?

The dormancy period for most property is 3 years; however, please see the Holder Reporting Manual to see all property types and their dormancy periods.

Do we follow the Iowa dormancy period when reporting to other states?

When reporting to other states, you need to follow their dormancy periods and other reporting rules.

If we do not have returned mail on SDB billing notices do we still have to send in the SDB if not paid in 3 yrs.?

The law is very specific about safe deposit boxes that after three years of unpaid rent it is to be turned over as unclaimed. The only way to avoid turning the property over as unclaimed is to have your customer pay the back rent owed.

We sell money orders here at the bank. We only fill in the amount. The customer then fills in the payee and signs the money order. My understanding is that those money orders are not dormant until 7 years. Is this correct?

Money orders are dormant after 3 years, only Express Money Orders have a dormancy period of 7 years.

We issued a refund check to a person who passed away before he cashed it. How do I handle this?

You would still wait out the dormancy period of 3 years and do due diligence as needed.

We are a school district. Our dormancy period is 2 years correct?

Yes, local government dormancy period is 2 years.

Can I send in unclaimed property before it has been outstanding for 3 years? e.g. a check that has not been cashed or has been returned to us due to unknown address. I work for the State Training School and it is not unusual for us to have a juvenile that has left and does not cash the check he received for the monies we held for him and often times these are a very small amount (<\$1).

We recommend waiting until the dormancy period is up and the property is abandoned.

If a patron is deceased should we remit before the dormancy period?

No, the dormancy period should still be followed to possibly reach an heir.

We are a government entity and have a policy that any uncashed check beyond one year is voided and reissued. Should we not be voiding these checks and reporting them unclaimed?

This would be an internal policy; however, after the dormancy period of the initial check is up, the funds would be reported.

Do we need to remit uncashed checks that were issued to businesses?

Yes, checks made to businesses are reportable.

If we are reporting unclaimed utility deposits; do we need to wait for the 3 year dormancy if they no longer live there, do not leave a forwarding and we have done due diligence?

Utility dormancy period is 1 year. You still need to wait for the dormancy period to end before reporting.

Are uncashed payroll checks also three years?

The payroll dormancy period is 1 year.

I have checks that have not cleared that all attempted contact has been returned. Can I report these early?

We recommend waiting until the dormancy period is up to report.

Due Diligence

If the due diligence letter has not been returned and we receive no response is the property considered abandoned?

Yes, if no contact has been made after the dormancy period is up, property is abandoned and should be reported.

Do due diligence letters need to be sent by certified mail?

No, due diligence letters can in most cases be sent 1st class and only need to be sent for amounts \$50 and over. The exception to this is financial institutions, the law asks them to send a certified letter under certain circumstances (generally only when there has been no contact and no mailings sent over the three year dormancy period. Please refer to 556.2 for further explanation).

If we do not get mail back, do we still have to report if their account is inactive?

If you are referring to regular statements that are mailed, have "address correction requested" printed on the envelope and are not returned as undeliverable, the account would be considered still active.

If you are referring to a due diligence letter that does not get returned or a response from the owner, that would be cause for reporting the items as unclaimed.

If mail sent with Return Service Requested is not returned, is that considered contact?

If you are referring to financial institution regular statements, yes, this is considered contact.

VDA

If our bank has never filed unclaimed property, should we file the VDA?

Businesses and other organizations who have never reported or with incomplete records, complex unclaimed property liabilities or special issues complicating the calculation of the amount of unclaimed property owing will want to take advantage of the treasurer of state's voluntary disclosure program (VDA).

Aggregate

If it is under a certain amount do we still need to send over, like under \$5, etc.?

There is no minimum amount that is reportable as unclaimed property. However, any amounts under \$50 may be combined and reported as an aggregate.

Claiming

Can any family member claim the property?

The owner or rightful heir can claim the funds.

What is the procedure for accounts where a business has been dissolved or inactive? How do they claim funds?

If you show an obligation as outstanding and do not have contact with the rightful owner, those funds would be turned over as unclaimed property. Claimants that come forward to our office regarding these funds would need to prove to our office they were the owners of said company in order to be able to claim the funds.